

EXHIBIT A
9/28/12 SPANSKI DECLARATION
CASE NO. 12-4175-WHP

LeAnn Piotrowski

From: Dylan Bates
Sent: Tuesday, December 21, 2010 11:56 AM
To: 'Tony Hoti'
Subject: FW: Greetings and follow up

Tony, please see below...I'm gonna butter him up and then knock it out. Talk soon, DB

Dylan Bates
Chief Operating Officer
ATI Physical Therapy
790 Remington Blvd.
Bolingbrook, IL 60440
630-296-2231
630-759-6702 - Fax
dylan.bates@atipt.com

From: Dylan Bates
Sent: Tuesday, December 21, 2010 11:55 AM
To: 'spanski@tvpolonia.com'
Subject: Greetings and follow up

Bob, Greetings from San Diego! I hope all is well with you and your family during the holiday season.

I am writing to you in response to Tony's last email in which he expressed his desire for you and I to work out the specifics of a win-win deal. I am excited to work towards a deal that we both feel good about in the very near future. I know that you have been very successful in business and I have been blessed to have been involved in a number of successful ventures myself. So, I see no reason why we cannot come together to capitalize on this unique opportunity where there is significant upside for both of our organizations.

I prefer to work the old fashioned way, preferably in person, however logistical challenges will most likely result in us doing business via phone. Is there a good number to reach you at and approximate time of day? I am fairly flexible as I am on my winter retreat to California. Let me know a couple of times that would work for you and we'll try to connect in the next couple of days. Looking forward to speaking with you and hammering out a deal.

Warm Regards, Dylan

Dylan Bates
Chief Operating Officer
ATI Physical Therapy
790 Remington Blvd.
Bolingbrook, IL 60440
630-296-2231
630-759-6702 - Fax
dylan.bates@atipt.com <<mailto:dylan.bates@atipt.com>>

RE: response to last email

From: **B.M. Bob Spanski** (spanski@tvp Polonia.com)
Sent: Mon 1/10/11 7:53 PM
To: 'Dylan Bates' (dylan_bates@hotmail.com)

Hi Dylan,

We can meet after lunch Wednesday or Thursday morning, whatever suits you better.

Regarding the option to acquire interest in IV, I know how Tony looks up to you thus if you will find reciprocal deal reasonable he (and his team) shall not object to it, at least that what I would expect from a reasonable man....

Looking forward to our meeting.

Cheers,

Bob

From: Dylan Bates [mailto:dylan_bates@hotmail.com]
Sent: Monday, January 10, 2011 7:39 PM
To: spanski@tvp Polonia.com
Subject: RE: response to last email

Hi Bob....yes, it was good to chat briefly on Friday. I think we are close enough to meet on Wed or Thursday when you are in Chicago and get going on the paperwork for the licensing deal and the option/non-acquisition deal (even though I think the term should be 4 years). I look forward to getting it signed up in the very near future. In regards to your option to acquire interest in IV, I will have to have you discuss this with Tony. I own no equity at the IV level so I am in no position to negotiate on his behalf.

Please let me know your availability to get together in Chicago, lets pen our deal and move on to both making \$\$.

Regards, Dylan

From: spanski@tvp Polonia.com
To: dylan_bates@hotmail.com
Subject: RE: response to last email
Date: Sat, 8 Jan 2011 00:12:46 -0600

Dylan,

Glad we got hold of each other just before I boarded the plane in NYC, especially that assuming my understanding is correct we accomplished the "meeting of minds"...

<http://by170w.bay170.mail.live.com/mail/PrintMessages.aspx?cpids=971560d7-1d25-11e0...> 8/16/2012

CONFIDENTIAL

DB0003039

DB0003039

So the term of the option shall be 3 years and non-acquisition fee is to be 1,8MM.

SEI, (Spanski Enterprises Inc.) for 4 years (your term plus 1 year) shall also have the right to acquire up to 25% (would much prefer up to 35%) of IV to be valued the same way you outlined in Term Sheet of SEI acquisition, mind you of we will not decide to acquire that minority interest there will be no "non-acquisition" fee.

If above is correct recollection of our last verbal exchange, please confirm and I will pass it to my attorneys to review provided by you terms sheet, made appropriate changes and all together conclude the deal.

Looking forward to good time in the Windy City...

Best

From: Dylan Bates [mailto:dylan_bates@hotmail.com]
Sent: Friday, January 07, 2011 11:25 AM
To: spanski@tvp Polonia.com
Subject: RE: response to last email

Bob, greetings...hope your travels to New York have been good. I think we are close to getting a deal to the finish line. As I said in my last response, we can agree to the 1.8MM if we have the 5 year period to decide to pursue the acquisition. The other option I can provide is that we can meet in the middle at 1.4MM if we move the period to 3 years. I think we are being very reasonable and continue to stretch as an expression of our good faith effort to get this deal done. I hope you agree and look forward to drinking some good wine in Chicago next week to cheers our agreed upon deal...lets get this done. I simply don't have any more room to move as we have come a long way to try to nail this deal down. It would be a shame if we can't lock in on one of these two options. The ball is in your court.

Regards, Dylan

From: spanski@tvp Polonia.com
To: dylan_bates@hotmail.com
Subject: RE: response to last email
Date: Tue, 4 Jan 2011 06:08:05 -0600

Dylan,

Sorry, that was a typo. As you may have noticed I "fired" my reply to you right away, and sometimes speed has its drawbacks.

I am leaving for NYC in few minutes, and may be more difficult to reach until weekend. BTW, will be in Chicago next week.

Best,

Bob

<http://by170w.bay170.mail.live.com/mail/PrintMessages.aspx?cpids=971560d7-1d25-11e0...> 8/16/2012

CONFIDENTIAL

DB0003040

DB0003040

From: Dylan Bates [mailto:dylan_bates@hotmail.com]
Sent: Monday, January 03, 2011 10:41 PM
To: spanski@tvpologia.com
Subject: RE: response to last email

Bob, I am unsure if I misread/mis-interpreted something in our prior emails? I was negotiating the \$1MM figure off of an understanding that the exercise period was 2 years...was this your understanding? and are you now recommending a 5 year exercise period? If we have a 5 year period to decide to pursue the acquisition, I can I agree to the 1.8MM and we can move forward and get a deal done. Please clarify at your convenience...

Best, Dylan

From: spanski@tvpologia.com
To: dylan_bates@hotmail.com
Subject: RE: response to last email
Date: Mon, 3 Jan 2011 21:42:33 -0600

Dylan,

I will have to insist on fee of 1.8MM and not a penny less.

You will have whole 5 years to decide if you want to pursue the acquisition or not and having such an "option" is well worth the fee.

Cheers,

Bob

From: Dylan Bates [mailto:dylan_bates@hotmail.com]
Sent: Monday, January 03, 2011 9:20 PM
To: spanski@tvpologia.com
Subject: FW: response to last email

Bob, Happy New Year! I apologize for the small delay in getting back to you as I just have returned back to Chicago after the holidays.

Based on our last email exchange, it appears that we are getting closer to a deal. I do, however, feel there is a better solution to the 'non-acquisition fee' issue. I would propose that we either lock in on the \$1MM figure today or agree to 1% of enterprise value at time of valuation (as determined by arbitrator

<http://by170w.bay170.mail.live.com/mail/PrintMessages.aspx?cpids=971560d7-1d25-11e0...> 8/16/2012

CONFIDENTIAL

DB0003041

DB0003041

per term sheet previously sent). I truly appreciate your comments about my background and experience and I respect your understanding and agreement that 1% would be the market for a deal such as this.

I think either of these options would be fair and palatable for us and trust that you will find one of these two viable options attractive to you. If you were to select the 1% option, it will also be a more appropriate and real time valuation rather than to use a number that at the time we will be doing the valuation, will have been done years ago.

The valuation you speak of that was performed 'some time ago' will be years ago at that time, is from an unknown firm to us and is inconsistent with the arbitrator approach in the term sheet (which is the only real fair way to agree upon a professional valuation). So, I think this is a very reasonable approach and trust you will agree.

I think we are agreeable to the other points and we are ready to move forward if we are able to lock in on one of the above options. I look forward to your response.

Regards, Dylan

Dylan Bates
Chief Operating Officer
ATI Physical Therapy
790 Remington Blvd.
Bolingbrook, IL 60440
630-296-2231
630-759-6702 - Fax
dylan.bates@atipt.com

From: Dylan Bates [mailto:dylan_bates@hotmail.com]
Sent: Monday, January 03, 2011 8:35 PM
To: Dylan Bates
Subject: FW: response to last email

From: spanski@tvp Polonia.com
To: dylan_bates@hotmail.com
Subject: FW: response to last email
Date: Thu, 30 Dec 2010 18:22:29 -0600

Sent it to your atipt address, but got error message same as before.

<http://by170w.bay170.mail.live.com/mail/PrintMessages.aspx?cpids=971560d7-1d25-11e0...> 8/16/2012

CONFIDENTIAL

DB0003042

DB0003042

Hotmail Print Message

Page 5 of 8

From: B.M. Bob Spanski [mailto:spanski@tvpolonia.com]
Sent: Thursday, December 30, 2010 6:19 PM
To: 'Dylan Bates'; 'dylan.bates@atipt.com'
Subject: RE: response to last email

Hi Dylan,

Thank you for your email.

I must say that your background and experience are impressive to say the least...

Said that, I do not wish to "beat this horse to death" arguing whose position is right whose not.

Thus I propose the following solution to our dilemma regarding "non-acquisition fee". As we had our business evaluated by the third party private equity firm some time ago, and they came up with valuation of 180MM, thus I would accept suggested by you 1% as non-acquisition fee in amount of 1.8MM.

Needless to say this is far from what I think is appropriate, but as I do not want to spoil the potential relation, I am prepared to accept far less from what I think is appropriate.

Regarding the timing of the acquisition, it is imperative that AFTER the valuation is completed the deal is consummated within 90 days, as all due diligence shall be done during the valuation, and as revenues will be raising on the monthly bases (at least that's our joint opinion and hope) there cannot be a situation where you do valuation lest say during the first year of our partnership and decide to acquire 4 years later. 3 months is more than sufficient time for you to decide one way or another, and I trust that you will not make it a stumbling block.

I tried to call you but got your voice mail. If you wish to discuss further I am available at 847 907 0323.

Best,

Bob

From: Dylan Bates [mailto:dylan_bates@hotmail.com]
Sent: Thursday, December 30, 2010 1:40 PM
To: spanski@tvpolonia.com; dylan.bates@atipt.com
Subject: response to last email

<http://by170w.bay170.mail.live.com/mail/PrintMessages.aspx?cpids=971560d7-1d25-11e0...> 8/16/2012

CONFIDENTIAL

DB0003043

DB0003043

Bob, good afternoon. Please see the response to your feedback in your last email. I look forward to working towards a deal in the near future.

- Non-acquisition fee MUST be correspondent to anticipated transaction, and the minimum amount shall be 10% of to be established value of the company (transaction value).

** Bob, I think its important for me to share some additional information regarding my background that will hopefully give you some confidence in where I am coming from and the objective backdrop that forms the confidence in our stance on the already aggressive offer we have put on the table. I have personally involved with 9 acquisitions totaling over \$550 Million of enterprise value. I am also an angel investor and equity owner of a leading International middle market investment banking firm that specializes in Mergers and Acquisitions. Through my personal experiences and with my unique vantage point in seeing hundreds of potential deals on an annual basis with my investment banking firm, I feel that I am in a good position to give you an objective counter argument with your 10% request above.

There are 2 very important prongs that need to be clarified here... 1.) break up fee vs. our proposed non-acquisition fee; 2.) what is the going 'market rate' for a 'break up fee'?

1.) a break up fee is very different from a non-acquisition fee – a break up fee is compensation to the would be seller if the would be buyer backs out of a deal...the seller is entitled to compensation as they will be getting no actual benefits from a realized deal...they also will have no upside from being involved with the would be buyer on a go forward basis (after receiving the break up fee). This relates directly to our proposed deal as we will have the license agreement in place and you will be making incremental and meaningful revenues/profits on a go forward basis...so, there is continued upside to you if we end up paying you the non-acquisition fee. This actually should decrease the percentage of the non-acquisition fee (as a % of enterprise value)...as there is tangible value in an on-going business relationship between our two entities. This rationale is sound and has been vetted out internally with a number of well known and renowned investment bankers that have hundreds of deals in their combined experience. This leads directly into number 2...what is the 'market rate' for a break up fee? Typical break up fees range anywhere between 1-3% depending on enterprise value levels. I can get you numerous case studies that prove this out if you so desire. Deals in the \$25-75MM range, typically average 2% of enterprise value. Assuming that your EBITDA increases from your current \$5MM to \$6-7MM, your company will fall into this range.

Therefore, using the objective logic outlined above, our initial offer of \$750,000 was generous and appropriate. The distinction between the non-acquisition fee and break up fee is important and SHOULD result in a lower %. The % really should be closer to 1% of enterprise value. However, I am truly interested in getting a deal done in an expeditious manner. Therefore, I am willing to increase the non-acquisition fee to \$1MM. This is a MAJOR concession on our part and I hope you are able to take a step back and see the above for what it is...it is as objective and black and white as it gets. We are being extremely fair and generous in our offer. This is the best we can do and is the final offer. I know we both see the win-win upside with our deal and it would be a shame if we don't move forward. I trust that you will make the easy decision to move forward as we are really putting ourselves out there with this offer.

<http://by170w.bay170.mail.live.com/mail/PrintMessages.aspx?cpids=971560d7-1d25-11e0...> 8/16/2012

CONFIDENTIAL

DB0003044

DB0003044

- If you want to have valuation done at the time you chose, than we shall stipulate that the transaction shall be concluded no later than 90 days after valuation completed, or non-acquisition fee becomes payable right there.

** We cannot agree to a 90 day transaction timeframe. There will be certain things that would be out of our control during the acquisition diligence process...i.e. third party accounting audit – in my experience with numerous acquisitions, there are sometimes delays in getting documents turned around and if there are any small delays from third party entities, we cannot be held to a drop dead date...we can agree to language that requires us to act in good faith to work towards an expeditious close. This can be worked out and should not be a sticking point.

- I shall also have the right to NOT accept the valuation, in which case the option to purchase agreement becomes null and void.

** I am fine with this

- "conditioning" option agreement on 5 days deadline in executing license agreement is not doable. If we execute option agreement I will have all motivation to finalize license agreement, and that must be sufficient enough.

** I am fine with extending this and understand that 5 days is an aggressive timeframe. From what I understand, however, the terms have been agreed upon, so an expeditious signing of the license agreement should be the goal...the quicker we get it signed and rolled out, the quicker we will ramp up subscribers and revenue for all...so, we can agree to a 2-3 week timeframe to get this accomplished.

- Lastly, the business to be acquired consist on number of entities not only EuroVu, but those are technicalities to be determined after we agree on principal issues as above.

** No problem – this will obviously be handled at the appropriate time

I look forward to speaking with you after you've had to review. Please feel free to call at any time (815-341-1505).

<http://by170w.bay170.mail.live.com/mail/PrintMessages.aspx?cpids=971560d7-1d25-11e0...> 8/16/2012

CONFIDENTIAL

DB0003045

DB0003045

Hotmail Print Message

Page 8 of 8

Regards, Dylan

Dylan Bates
Chief Operating Officer
ATI Physical Therapy
790 Remington Blvd.
Bolingbrook, IL 60440
630-296-2231
630-759-6702 - Fax
dylan.bates@atipt.com

Dylan Bates
Chief Operating Officer
ATI Physical Therapy
790 Remington Blvd.
Bolingbrook, IL 60440
630-296-2231
630-759-6702 - Fax
dylan.bates@atipt.com

This message contains confidential information and is intended only for the intended recipient(s). If you are not the named recipient you should not read, distribute or copy this e-mail. Please notify the sender immediately via e-mail if you have received this e-mail by mistake; then, delete this e-mail from your system.

This message contains confidential information and is intended only for the intended recipient(s). If you are not the named recipient you should not read, distribute or copy this e-mail. Please notify the sender immediately via e-mail if you have received this e-mail by mistake; then, delete this e-mail from your system.

<http://by170w.bay170.mail.live.com/mail/PrintMessages.aspx?cpids=971560d7-1d25-11e0...> 8/16/2012

CONFIDENTIAL

DB0003046

DB0003046

Hotmail Print Message

Page 1 of 2

FW:

From: **B.M. Bob Spanski** (spanski@tvpolonia.com)
Sent: Tue 1/25/11 9:57 PM
To: Dylan Bates (dylan_bates@hotmail.com)

Dylan,

From lack of the reply to my email I take that you are not prepared to accept the last draft I sent (which you so correctly stated "do not contain many substantive points that cannot be knock out"), and as I cannot accept changes you made, looks like we are done.

Need I say that this is not an outcome I was looking for but at least it will spare you paying "extortion fee" as Tony so kindly called it...

I wish you all the success.

Cheers,

Bob

From: B.M. Bob Spanski [mailto:spanski@tvpolonia.com]
Sent: Monday, January 24, 2011 10:35 PM
To: 'Dylan Bates'
Subject: RE:

Dylan,

I appreciate talking with you anytime, with attorneys present or not...

Said that PLEASE understand that what you got in the "final" draft of the agreement is truly the only language we will be able to sign off.

In any case, let me know the time you wish to have conference and the number you wish me to call.

Best,

Bob

From: Dylan Bates [mailto:dylan_bates@hotmail.com]
Sent: Monday, January 24, 2011 10:30 PM
To: spanski@tvpolonia.com
Subject:

<http://by170w.bay170.mail.live.com/mail/PrintMessages.aspx?cpids=0b332a0f-2900-11e0...> 8/16/2012

CONFIDENTIAL

DB0003032

DB0003032

Bob, I appreciate your quick response...I think we need to go back to the old fashioned way one more time. I suggest we get on a phone call tomorrow with our attorney and walk through the sticking points...'attorney speak' can be tweaked to hopefully get us both comfortable. I do not think we have many substantive points that we cant knock out on a phone call. I will check with Dan in the morning to determine a couple of times that would work for us and will email/call you to set up a conference call. I personally want to get a deal done with you (but, we have to ensure that it is the RIGHT deal for both parties) as I value what our working relationship could and should turn in to...so, lets see if we can get this to the finish line asap. I look forward to getting in touch tomorrow.

Regards, Dylan

<http://by170w.bay170.mail.live.com/mail/PrintMessages.aspx?cpids=0b332a0f-2900-11e0...> 8/16/2012

CONFIDENTIAL

DB0003033

DB0003033